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APPLICATION NO.	FILING DATE	FIRST NAMED INVENTOR	ATTORNEY DOCKET NO.	CONFIRMATION NO.
09/818,400	03/27/2001	Trevor Robert MacLean	24349.00	2793

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EXAMINER

LASTRA, DANIEL

ART UNIT	PAPER NUMBER
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3622

DATE MAILED: 02/23/2006

Please find below and/or attached an Office communication concerning this application or proceeding.

Office Action Summary

Application No.

09/818,400

Applicant(s)

MACLEAN ET AL.

Examiner

DANIEL LASTRA

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-- The MAILING DATE of this communication appears on the cover sheet with the correspondence address --

Period for Reply

A SHORTENED STATUTORY PERIOD FOR REPLY IS SET TO EXPIRE 3 MONTH(S) OR THIRTY (30) DAYS, WHICHEVER IS LONGER, FROM THE MAILING DATE OF THIS COMMUNICATION.

- Extensions of time may be available under the provisions of 37 CFR 1.136(a). In no event, however, may a reply be timely filed after SIX (6) MONTHS from the mailing date of this communication.
- If NO period for reply is specified above, the maximum statutory period will apply and will expire SIX (6) MONTHS from the mailing date of this communication.
- Failure to reply within the set or extended period for reply will, by statute, cause the application to become ABANDONED (35 U.S.C. § 133). Any reply received by the Office later than three months after the mailing date of this communication, even if timely filed, may reduce any earned patent term adjustment. See 37 CFR 1.704(b).

Status

- 1) ☒ Responsive to communication(s) filed on 02 December 2005.
- 2a) ☒ This action is **FINAL**. 2b) ☐ This action is non-final.
- 3) ☐ Since this application is in condition for allowance except for formal matters, prosecution as to the merits is closed in accordance with the practice under *Ex parte Quayle*, 1935 C.D. 11, 453 O.G. 213.

Disposition of Claims

- 4) ☒ Claim(s) 1-4, 13 and 14 is/are pending in the application.
- 4a) Of the above claim(s) _____ is/are withdrawn from consideration.
- 5) ☐ Claim(s) _____ is/are allowed.
- 6) ☒ Claim(s) 1-4, 13 and 14 is/are rejected.
- 7) ☐ Claim(s) _____ is/are objected to.
- 8) ☐ Claim(s) _____ are subject to restriction and/or election requirement.

Application Papers

- 9) ☐ The specification is objected to by the Examiner.
- 10) ☐ The drawing(s) filed on _____ is/are: a) ☐ accepted or b) ☐ objected to by the Examiner.
Applicant may not request that any objection to the drawing(s) be held in abeyance. See 37 CFR 1.85(a).
Replacement drawing sheet(s) including the correction is required if the drawing(s) is objected to. See 37 CFR 1.121(d).
- 11) ☐ The oath or declaration is objected to by the Examiner. Note the attached Office Action or form PTO-152.

Priority under 35 U.S.C. § 119

- 12) ☐ Acknowledgment is made of a claim for foreign priority under 35 U.S.C. § 119(a)-(d) or (f).
- a) ☐ All b) ☐ Some * c) ☐ None of:
1. ☐ Certified copies of the priority documents have been received.
 2. ☐ Certified copies of the priority documents have been received in Application No. _____.
 3. ☐ Copies of the certified copies of the priority documents have been received in this National Stage application from the International Bureau (PCT Rule 17.2(a)).

* See the attached detailed Office action for a list of the certified copies not received.

Attachment(s)

- 1) ☐ Notice of References Cited (PTO-892)
- 2) ☐ Notice of Draftsperson's Patent Drawing Review (PTO-948)
- 3) ☐ Information Disclosure Statement(s) (PTO-1449 or PTO/SB/08)
Paper No(s)/Mail Date _____.
- 4) ☐ Interview Summary (PTO-413)
Paper No(s)/Mail Date. _____.
- 5) ☐ Notice of Informal Patent Application (PTO-152)
- 6) ☐ Other: _____.

DETAILED ACTION

1. Claims 1-4 and 13-14 have been examined. Application 09/818,400 (APPARATUS AND METHOD OF FACILITATING THE EXCHANGE OF POINTS BETWEEN SELECTED ENTITIES) has a filing date 03/27/2001.

Response to Amendment

2. In response to Non Final Rejection filed 06/13/2005, the Applicant filed an Amendment on 12/02/2005, which amended claims 1, 3, 13 and 14. Applicant's amendment overcame the Claim Objection rejection regarding withdrawn claims, the IDS objection, the Section 101 rejection and the Section 112 rejection.

Claim Objections

3. Applicant's amendment recites on page 2 that claims 1-68 are cancelled. The Examiner would consider said reciting as a typographical error. However, the Applicant needs to correct said error in the respond to this Office Action.

Claim Rejections - 35 USC § 102

4. The following is a quotation of the appropriate paragraphs of 35 U.S.C. 102 that form the basis for the rejections under this section made in this Office action:

A person shall be entitled to a patent unless –

(e) the invention was described in a patent granted on an application for patent by another filed in the United States before the invention thereof by the applicant for patent, or on an international application by another who has fulfilled the requirements of paragraphs (1), (2), and (4) of section 371(c) of this title before the invention thereof by the applicant for patent.

The changes made to 35 U.S.C. 102(e) by the American Inventors Protection Act of 1999 (AIPA) and the Intellectual Property and High Technology Technical

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Amendments Act of 2002 do not apply when the reference is a U.S. patent resulting directly or indirectly from an international application filed before November 29, 2000. Therefore, the prior art date of the reference is determined under 35 U.S.C. 102(e) prior to the amendment by the AIPA (pre-AIPA 35 U.S.C. 102(e)).

Claims 1-4 and 13-14 are rejected under 35 U.S.C. 102(e) as being anticipated by Postrel (U.S. 6,594,640).

As per claim 1, Postrel teaches:

A method of exchanging first points held by a customer for second points, the first points that are issued by a first point issuer differing from the second points that are issued by a second point issuer, said point exchange method is implemented by a computer programmed to effect the following steps of:

(a) the customer setting a first number of first points to be exchanged (see column 4, lines 3-45);

(b) the first and second point issuers setting the point withdrawal and deposit rates of their first and second points respectively (see column 4, lines 3-45; column 3, lines 35-45; column 5, lines 35-40; column 6, lines 37-47; column 11, line 60 – column 12, line 8);

(c) determining an equivalent number of the second points based upon the point withdrawal and deposit rates of the first and second point issuers respectively, and the first number of the first points (see column 4, lines 3-45; column 3, lines 35-45; column 5, lines 35-40; column 6, lines 37-47; column 7, lines 35-40; column 7, lines 63-67); and

(d) exchanging the first number of first points *from the first point issuer to the second point issuer* for a second equivalent number of second points (see column 4, lines 3-45; column 3, lines 35-45; column 5, lines 35-40; column 6, lines 37-47; column 10-12; column 15-20; column 11, line 60 – column 12, line 8). Postrel teaches the use of points from one airline issuer to another different airline carrier point issuer.

As per claim 2, Postrel teaches:

The method of point exchanging as claimed in claim 1, wherein said step c) of determining an equivalent number of the second points comprises the substeps of:

(i) determining the monetary value of the first number of first points as the product of the first number of first points and the point withdrawal rate of the first point sponsor (see column 9, lines 10-15; column 10, lines 15-20); and

(ii) determining the equivalent number of the second points as the quotient of the monetary value of the first number of first points divided by the point depositing rate of the second point sponsor (see column 9, lines 10-15; column 10, lines 15-30).

As per claim 3, Postrel teaches:

A system for exchanging first points held by a customer for second points, the first points issued by a first point issuer differing from the second points that are issued by a second point issuer, said point exchange system comprising:

(a) a first terminal having a first terminal database for storing an account of the customer's first points (see figures 4 and 5);

(b) a second terminal having a second central database memory for storing an account of the customer's second points (see figures 4 and 5); and

(c) a transaction center having a center input and a central computer programmed to:

(i) the customer setting via said center input a first number of first points to be exchanged (see figure 4, item 20);

(ii) the first and second point issuers setting the point withdrawal and deposit rates of their first and second points respectively (see column 3, lines 35-55; column 6, lines 37-67; column 7, lines 37-40; column 9, lines 10-12; column 10, lines 15-20);

(iii) determining an equivalent number of the second points based upon the point withdrawal and deposit rates of the first and second point issuers respectively, and the first number of the first points (see column 3, lines 35-55; column 6, lines 37-67; column 7, lines 37-40; column 9, lines 10-12; column 10, lines 15-20);; and

(iv) providing respectively to said first and second terminals a first transaction message to withdraw the first number of first points from said first terminal database and to deposit the equivalent number of second points in said second terminal database (see column 3, lines 35-55; column 6, lines 37-67; column 7, lines 37-40; column 9, lines 10-12; column 10, lines 15-20);.

As per claim 4, Postrel teaches:

The program managing system as claimed in claim 3, wherein said transaction center further responds to a customer's order to convert the first number of first points into an equivalent second number of second points and to deposit the second number of second points in said second database of said second terminal (see column 3, lines

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35-55; column 6, lines 37-67; column 7, lines 37-40; column 9, lines 10-12; column 10, lines 15-20).

As per claim 13, Postrel teaches:

A method of exchanging first points that are issued by a first point issuer for second, different points that are issued by a second point issuer at exchange rates set by the first and second point issuers respectively, said points exchanging method is implemented by a computer programmed to effect the following steps of

(a) entering first and second exchange rates by the first and second point issuers respectively (see column 3, line 35 – column 4, line 45; column 6, lines 35-67; column 10, lines 15-20);

(b) entering a customer's order for exchanging first points for second points (see column 3, line 35 – column 4, line 45; column 6, lines 35-67; column 10, lines 15-20);

(c) determining the presence or absence of each of the first and second exchange rates (see column 4, lines 1-45); and

(d) blocking the exchange of points in the absence of either of the first or second exchange rates (see column 4, lines 1-45; column 9, lines 5-7).

As per claim 14, Postrel teaches:

A system for facilitating the exchange of points from or to a selected one of a plurality of point programs at exchange rates set by the proprietor of the selected one point program, said system comprising:

(a) at least one terminal associated with the selected one point program and comprising a terminal input, a terminal database and a terminal server programmed to:

(i) respond to a customer command to withdraw from and/or deposit points into said terminal (see column 6, lines 1-52),

(ii) the point program proprietor entering and storing in said terminal database of exchange rates for the points of the selected one loyalty program (see column 6, lines 1-52); and

(iii) detect the absence of the exchange rates for the selected one point program to transmit a blocking signal (see column 4, lines 1-45); and

(b) a transaction center coupled by a data transmission path to said one terminal and comprising a center input and a center server programmed to:

(i) respond to customer input on said center input for transmitting via the data transmission path to said one terminal the command whereby points are withdrawn and/or deposited into the point program associated with said one terminal (see column 6, lines 1-55); and

(ii) respond to the blocking signal to prevent the transmission of the command (see column 4, lines 1-45).

Response to Arguments

5. Applicant's arguments filed 12/02/2005 have been fully considered but they are not persuasive. Applicant argues that Postrel does not teach points withdrawal and deposit rate. The Examiner answers that Postrel teaches the withdrawing of points from a user's reward server account and depositing said points into a user's exchange

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account at a conversion or exchange rate (see Postrel column 6, lines 25-50; column 9, lines 10-20). Also, Postrel teaches that users may use points from another air carrier or point server to pay for first airline carrier services (see column 11, line 60 – column 12, line 6). Therefore, Postrel teaches the exchange of points from one point issuer to another. Postrel teaches in column 9, lines 10-21 “A conversion rate may be applied to the transaction such that the reward server reduces the available rewards in the user’s account. The reward server then transfers consideration to the trading server that corresponds to the value reduced in the reward system. In response to the receipt of the transfer or approval of the transfer, the trading server increments the user account balance to reflect the received consideration and the connection to the reward server is dropped”.

The Applicant argues that Postrel does not teach transmitting reward points from one of the servers 10, 12 and 14 to another of the servers or issuers 10, 12 or 14. The Examiner answers that Postrel teaches in column 11, lines 62-67 the use of points awarded from another point server to pay for service for a first point server. Therefore, Postrel teaches transmitting reward points from different point servers. Also, Airline reward server (fig. 4, item 10) comprises a plurality of airline point issuers and Postrel teaches the exchanging of points between said different airline point issuers.

The Applicant argues that Postrel column 3, lines 33-35 only mentions an “exchange rate” and the quoted portion does not disclose the problem that Applicant’s claimed invention solves, namely enabling each point issuer to control the price at which its points are sold and/or purchased, much less the use of the withdrawal rate and

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deposit rate that enable the issuers to control the prices at which they sell and buy their points.

The Examiner answers that Postrel teaches that the point issuers may allow or refuse the transaction, that the reward server applied a conversion rate to said transaction (see column 9, lines 5-20) and that an exchange rate would be established for the relative consideration received by the companies involved in the transaction (see column 3, lines 33-36). Also, column 5, lines 60-65 teaches the selling and buying of points. Therefore, Postrel point issuers have control in the buying and selling of points. Postrel points issuers need to have control of the exchange and conversion rate of their points because said points are treated as cash for purpose of transaction (see column 10, lines 15-17).

Conclusion

6. **THIS ACTION IS MADE FINAL.** Applicant is reminded of the extension of time policy as set forth in 37 CFR 1.136(a).


A shortened statutory period for reply to this final action is set to expire THREE MONTHS from the mailing date of this action. In the event a first reply is filed within TWO MONTHS of the mailing date of this final action and the advisory action is not mailed until after the end of the THREE-MONTH shortened statutory period, then the shortened statutory period will expire on the date the advisory action is mailed, and any extension fee pursuant to 37 CFR 1.136(a) will be calculated from the mailing date of the advisory action. In no event, however, will the statutory period for reply expire later than SIX MONTHS from the mailing date of this final action.


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Any inquiry concerning this communication or earlier communications from the examiner should be directed to DANIEL LASTRA whose telephone number is 571-272-6720. The examiner can normally be reached on 9:30-6:00.

If attempts to reach the examiner by telephone are unsuccessful, the examiner's supervisor, ERIC W STAMBER can be reached on 571-272-6724. The Examiner's Right Fax number is 571-273-6720.

Information regarding the status of an application may be obtained from the Patent Application Information Retrieval (PAIR) system. Status information for published applications may be obtained from either Private PAIR or Public PAIR. Status information for unpublished applications is available through Private PAIR only. For more information about the PAIR system, see <http://pair-direct.uspto.gov>. Should you have questions on access to the Private PAIR system, contact the Electronic Business Center (EBC) at 866-217-9197 (toll-free).


Daniel Lastra
February 12, 2006


RAQUEL ALVAHEZ
PRIMARY EXAMINER